

Blighted Property Review Committee
Meeting with Harrisburg Vacant Property Review Committee
Tuesday, May 20, 2008
Report

Members Attending: L. Olsen, W. Bealer, M. Wolfe,

Staff Attending: J. Khokhar, M. Mayfield, L. Kelleher

Harrisburg VPRC Attending: Exec Dir Redevelopment Authority, Assistant Dir Redevelopment Authority, Kelly Whitman Project Manager, Solicitor

Others attending: Karen Beck-Pooley Exec Dir Allentown BPRC

The Harrisburg staff to the Vacant Property Review Committee (VPRC) and Blighted Property Reinvestment Board (BPRB) gave a power point presentation in response to the questions submitted by the Reading BPRC (attached along with some other information requested). They provided a packet of information that includes their enabling ordinance, applicable state legislation and samples of the letters and documents used for taking (also attached).

They explained that the VPRC and BPRB initiative is funded through an annual CDBG HOME allocation. Many cities use the allocation for CHDO (Community Home Development Organization) activities. Reading uses the NHS as its CHDO. The CDBG area covers staff/administrative expenses and acquisition and legal activities and HOME allocations cover other activities associated with the removal of slum and blight. Harrisburg completes approximately 25-30 demolitions per year at a cost of about \$400,000, approximately 1/2 of Reading's demolition cost. Harrisburg pays approximately \$16,000 per demolition. Harrisburg reduces the cost of demolition by employing 3 Public Works employees to perform this activity. When not undertaking demolition activities, these employees assist with various Public Works functions. Finish work used for remaining row properties are contracted out. Emergency demolitions are contracted out if the Public Works crew cannot demolish the affected property in a timely manner.

The Harrisburg Board target properties in redevelopment areas, neighborhoods that are involved in neighborhood groups (Neighborhood Action Strategy areas),

and "one bad apple" properties identified by Codes staff. Harrisburg staff explained that the 5 Year Consolidated Plan can be amended to provide for these activities.

The Harrisburg VRPC-BPRB, when considering large areas, consults with the Redevelopment authority or other economic development entities to obtain their input on potential projects (residential, commercial or industrial) that could replace the blighted properties.

Neighborhoods that participate with neighborhood groups are partnered with the City and other non-profit organizations to undertake facade and streetscape improvements that uplift the entire neighborhood.

Individual properties with unresolved codes violations are brought to the attention of the VPRC-BPRB by Codes staff and the taking process and the BPRB considers beginning the taking process. The taking process usually grabs the attention of the property owner. The property owner must then commit to an Owner Rehabilitation Agreement, provide a \$1,000 escrow payment, bring delinquent taxes up to date and pay any associated legal fees. A building permit is issued and the building improvements are monitored by Housing Specialists in the Community Development Department and Codes staff. If the rehabilitation is completed the escrow is returned to the property owner. If the property is not rehabilitated, the escrow is forfeited and the taking process resumes. Harrisburg does not provide guidance on improvement loans and grants to the property owner. However, CDBG monies are set aside for low-interest loans for property owners entering into the rehabilitation process. These loans are reused for other rehabilitation projects after they are repaid.

When property owners do not enter into an Owner Rehabilitation Agreement, the property is forwarded to the Planning Commission who will consider certifying it to the Redevelopment Authority as blighted. Notices of Condemnation are filed with the Prothonotary and Notices of Taking are filed with the Recorder or Deeds Office. Just compensation is either negotiated with the property owner (if the property owner is involved) or in the Court of Common Pleas if agreement cannot be reached. At the conclusion of taking process the Redevelopment Authority holds the property.

The VPRC-BPRB Solicitor, who is retained by the Board, stressed the importance of an aggressive approach. He stated that although the Redevelopment Authority does not legally take possession of the property until the taking

process is completed, Harrisburg assumes possession if the owner of the property is unresponsive. He stated that this approach has been successful with little or no legal challenge. He noted that in most cases the owners of these blighted properties have simply walked away. While he stressed the need to stay within the confines of the law, he also encouraged the use of a very aggressive position, which increases the City's ability to succeed.

The Harrisburg Codes division, a component of the Harrisburg Department of Building and Housing Development, employs 7 Codes Inspectors. The 2000 census reported that Harrisburg had a decrease in population (approx. 50,000 pop). Harrisburg is 14 square miles; however, approximately the river uses 7 of those square miles. Fifty percent of the properties in Harrisburg are exempt from property taxes.

Respectfully submitted by Linda A. Kelleher, City Clerk